Daily Report

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Cuba

Foreign Trade Minister Cited on Guaranteeing Population's Basic Food Needs

FL0904002993 Havana Radio Rebelde Network in Spanish 2300 GMT 8 Apr 93

[Text] News dispatches by foreign correspondents accredited in Havana say that Cuban Foreign Trade Minister Ricardo Cabrisas explained the strategy designed to survive and overcome economic difficulties in a meeting with Latin American and Caribbean businessmen, which recently concluded in Havana.

In speaking about Cuba's reality, Cabrisas insisted that one of the priorities of the island is to guarantee the population's basic food needs while carrying out a serious recycling effort and expanding exportable products.

Pinar del Rio Provincial Assembly To Establish Administrative Council

FL0804173193 Havana Radio Reloj Network in Spanish 1403 GMT 8 Apr 93

[Text] Today, Pinar del Rio's Provincial Assembly of the People's Government will meet to establish its administrative council. This process, which began on the Isle of Youth, continued with Cienfuegos Province. Afterward, the formation of these councils will continue in the remaining provinces according to the schedule drafted by the National Assembly. This vital process will conclude on 18 April with Holguin's provincial assembly meeting. This is a vital step because as specified in Article No. 103 of the Constitution, the administrative councils manage the local economic production and service enterprises.

These councils will replace the executive committees of the provincial assemblies. Their purpose is to meet the economic, social security, education, culture, sports, and recreation needs of the province under its jurisdiction.

Culture Minister Meets With PRC Foreign Minister

FL0904013693 Havana Cuba Vision Network in Spanish 0000 GMT 9 Apr 93

[Text] After meeting with Cuban Culture Minister Armando Hart in Beijing, Chinese Vice Prime Minister and Foreign Minister Qian Qichen termed the visit by Hart highly positive. China and Cuba agreed to work together to foster respect for the self-determination, sovereignty, and cultural identity of peoples and to reject hostile campaigns against the two nations in the international press.

Inter-Caribbean Affairs

Windward Islands Urged To Set Date for Referendum on Political Union

FL0804175893 Bridgetown CANA in English 1531 GMT 8 Apr 93

[Text] Castries, St. Lucia, April 8, CANA—Windward Islands governments have been urged to set a date for a proposed referendum on political union of the islands or face the possibility of the initiative being disregarded by their nationals.

"I would think that it is important that the referendum be held sometime this year," Earl Huntley, secretary to the Regional Constituent Assembly (RCA), which is paving the way for the initiative, told CANA.

The governments of Dominica, St. Lucia, St. Vincent and the Grenadines, and Grenada have embarked on the road to a political union and organised a series of consultations which discussed the issue. The report of these consultations have been presented to the governments for consideration, but St. Lucia has not yet discussed the report in parliament as required.

Huntley told CANA this month would be "a year to the date when we handed over the report of the RCA to the heads of government. A year is a lot of time and you don't want the thing to get too distant from people's mind... So I think it (referendum) has to be held this year if anything has to be done at all." Huntely noted that St. Vincent and the Grenadines would be holding its general elections next year.

"... One is concerned, but one would hope that the heads would follow up on what they started. One expects that they will," he remarked. Huntley said the recent decision by St. Vincent and the Grenadines to close its political union office should not be a matter of concern for the initiative.

"That office was set up for a particular purpose and that purpose has been fulfilled... Really the whole initiative is at the stage now where the work that has to be done is really up to the politicians," added the official. "If you are going to have a referendum, the politicans are the ones who will now have to go out and sell the idea in the same manner they traditionally sell their ideas," he said.

Huntely said the RCA had been receiving tremendous feedback on its various promotional programmes on the political union initiative, but stressed, "People have been asking when is something going to happen. They are concerned that something has not happened... It means that people want something to happen, it means that the interest is still there," he said.

St. Lucia's Prime Minister John Compton said in Grenada late last year he had hoped the referendum would have been held within the first quarter of 1993.

Haiti

UN/OAS Mission Teams Visit Prisoners

FL0804173793 Port-au-Prince Radio Metropole in French 1045 GMT 8 Apr 93

[Text] The international civilian mission in Haiti has visited prisoners and prisons. UN/OAS international mission teams spread out through the country, last week beginning a series of visits to Haitian prisons. No report has yet been written on the conditions of imprisonment. One of the coordinators of the mission, Colin Granderson, reveals that the situation in the detention centers was absorbing.

The international civilian mission commends itself for the attention given by the Justice Ministry and parliament's Justice Commission to the conditions of imprisonment and to the legal status of prisoners at the National Penitentiary in Port-au-Prince, following visits by mission observers to this institution and to detention centers in Port-au-Prince and the departments during recent weeks.

The most recent visit to the National Penitentiary was on 5 April when a group of 23 observers, with the cooperation of the authorities, registered 400 prisoners. During the registration process, a government official and employees of the Justice Ministry visited the National Penitentiary. The civilian mission says it is now studying the collected data on the legal status of the prisoners—adults and children—to make appropriate recommendations to the proper authorities. The mission hopes that the same attention will be given by civilian and military authorities to the situations in other detention centers in Port-au- Prince and throughout the country.

It should be recalled that an employee of the Justice Ministry had announced on 5 April that the minister of justice would that day visit prisoners at the National Penitentiary and that illegally detained prisoners would be immediately released.

Prisoners Demonstrate Against 'Negative' Conditions

FL0804173593 Port-au-Prince Radio Tropic FM in Creole 1200 GMT 8 Apr 93

[Text] National Penitentiary prisoners demonstrated on 7 April to protest the negative conditions under which they are living in the prison. The news reports that the prisoners hurled stones at the guards, set fire to mattresses, and that many shots were fired in the penitentiary. The prisoners were demonstrating against the poor condition of the cells, which are overcrowded. The justice authorities have allegedly decided to go to the penitentiary on 8 April to release prisoners who were illegally arrested and who have not been referred to the court.

Jamaica

Manning Says New Cabinet 'Best Available,' Dismisses Criticism of Size

FL0804201193 Bridgetown CANA in English 1816 GMT 8 Apr 93

[Text] Kingston, Jamaica, April 8, CANA—Jamaica's prime minister, P.J. Patterson, says his new 17-member Cabinet is the best available but he has warned his ministers that failure to perform will not be tolerated. Speaking at the swearing-in of 16 ministers by Governor-General Sir Howard Cooke late Wednesday [7 April], Patterson also rejected criticisms that the Cabinet was too large and that some Cabinet postings were unwise. Labour and Welfare Minister Portia simpson missed the ceremony because of illness and will take the oath of office at a later date.

In an address spiced with humour, Patterson, whose People's National Party (PNP) won a massive majority in last week's controversial general election, used cricket as an analogy in cautioning ministers that they could easily be replaced.

"There are always those practising in the nets (waiting) for members to miss, so they can take the chance," said Patterson.

"If you are good enough to make a century, take a pause, stretch, say "Amen," and settle down for the second century," he added to loud applause from a large gathering that included dignitaries of church and state and the diplomatic community.

Patterson dismissed suggestions in the media that the "team" was too large and that some ministers were ill-suited to their ministries.

"I make no apology for the size and composition of the cabinet," he said, contending that the crucial aspect was "not size but effectiveness."

Many who criticised the composition of the cabinet did so because they did not know the capacities of the people involved, he added. The Cabinet includes one new ministry—water and transport—which goes to the rehabilitated Horace Clarke. The 61-year-old clarke, who was then mining and energy minister, and Patterson, then finance minister, resigned in disgrace from the Jamaican Government headed by former Prime Minister Michael Manley over a year ago.

Their resignation came amidst controversy surrounding their role in the granting of a 30-million dollar tax waiver to Shell Oil Company. Within three months, Patterson was back to take up the mantle left by the retired Manley but Clarke had to await Patterson's "personal mandate" before being recalled from the "cold."

Clarke apart, the only new member of the Cabinet is former head of the Planning Institute of Jamaica, Dr.

Omar Davies, who will serve as minister without portfolio. Davies is to join the senate.

Trinidad and Tobago

Caricom Secretariat 'Studying' Government's Decision To Float Currency

FL0804160193 Bridgetown CANA in English 1446 GMT 7 Apr 93

[Report by Leonard Robertson]

[Text] Port of Spain, Trinidad, April 7, CANA—Caribbean Community [Caricom] Secretary General, Dr. Edwin Carrington, said on Wednesday that the Guyana-based Caricom secretariat was "studying" the decision by Trinidad and Tobago to float its currency. Trinidad and Tobago's finance minister, Wendell Mottley, had announced the decision earlier on Wednesday, along with measures to liberalise the foreign exchange regime, including the removal of all restrictions on trading when it resumes next Tuesday [13 Arpil].

Carrington, in a telephone interview from his Guyana office with the Caribbean News Agency, said, "Trinidad and Tobago is a major trader in the Community, much more so than others who have gone the same route, and a serious action such as this will have an effect." Carrington said the floating of the dollar will make Trinidad and Tobago goods cheaper to the extent that the production price is "not jacked up" due to inputs from outside the region. Trinidad and Tobago is the third country in the Caribbean Community to float its currency following similar decisions by Jamaica and Guyana.

One regional economic analyst who spoke to CANA on condition of anonymity pointed out that in the case of Guyana, there was "a cascading fall in the dollar before it stabilised to around the value of the Japanese yen, while in Jamaica there was also a 'troubling depreciation' until the currency finally settled.

"What Trinidad and Tobago has to be careful about is its citizens' penchant for skillful capital flight," he said. The analyst expected that the T&T dollar, now exchanging at about 4.25 to the U.S. dollar, would eventually settle between "six and seven to the U.S. dollar."

In his view, the latest action would make the entire region "face frontally" the issue of a fixed rate versus a floating rate. He said the East Caribbean dollar of the Organisation of Eastern Caribbean States Caricom subregion, at 2.70 to one U.S., was strong now but there were dark fears on the horizon with respect to the future of the banana industry and the uncertainty of tourism, the two mainstays of the OECS economies.

"The region is in the middle of a period of flux, and Trinidad and Tobago has thrown its weight behind flotation," he added. "It will take at least two years before the region finds the ideal system."

Early Depreciation Expected

FL0804160593 Bridgetown CANA in English 1509 GMT 8 Apr 93

[Text] Port of Spain, Trinidad, April 8, CANA—Trinidad and Tobago's floating dollar is expected to face early depreciation, according to deputy governor of the Central Bank, Dr. Terrence Farrell. He said what "one could probably expect" is that there will be some depreciation of the dollar in the short term until it reached a "level of comfort" with the new operation.

"What one is striving for in terms of operation of a system of this kind is that you are looking for a regime that is flexible ... That is, the rate can move from day to day, from week to week, but that generally, the rate will be moving to what I call a zone of stability," he remarked.

"There will not be wild and large fluctuations like what has happened in other countries and the key to achieving that kind of stability in the nominal exchange rate has to fundamentally come back to your fiscal and monetary policies. If you have bad fiscal and monetary policies, your rate is going to slide. If you have good, strong, and tight fiscal and monetary policies, then you will have stability in the exchange rate."

Trinidad and Tobago floated its dollar on Wednesday [7 April] and announced the removal of foreign currency restrictions. In a statement issued after banking business had closed, the Central Bank suspended all trading in foreign exchange with immediate effect until the start of banking business next Tuesday [13 April]. The bank also said that resident nationals may now establish foreign currency accounts in local banks on such terms and conditions as the banks may specify.

Finance Minister Wendell Mottley told reporters that the change in policy was necessary if government were to lay a solid foundation for Trinidad and Tobago's economic revival in the medium term. Mottley said the government had studied the Jamaican situation and was optimistic that Trinidad and Tobago would not find itself in a similar position.

"The Jamaicans went into a similar situation not only without any foreign exchange cover, but in fact had a long exposed position, where foreign exchange had been promised but could not be delivered," he said. "They started the race not at the start but behind the start in that respect. We are much more in control of our monitoring fiscal affairs at this time than they were. In addition, we have the significant advantage as a government in having the Amoco and other oil companies' U.S. dollars receipts flow in to our control.

Therefore, the Central Bank, in dealing with our debt service, doesn't have to get into the private system to the same extent to buy the foreign exchange to deal with the central government's problems. So to that extent the government is not so much a burden on the system as it was in Jamaica."

Economist Predicts T&T Dollar Stabilization

FL0804184193 Bridgetown CANA in English 1533 GMT 8 Apr 93

[Text] Port of Spain, Trinidad, April 8, CANA—International economist Lloyd Best is predicting that the Trinidad and Tobago dollar will stabilize eventually at five to one U.S., following Wednesday's decision by the government to float the local dollar. Prior to the announcement, the T&T dollar traded at the fixed exchange rate of 4.25 to one U.S.

"What we can now expect is a shift in the parity to at least the parallel market rate of T&T5 dollars to U.S.1 dollar," Best said in a commentary in the EXPRESS newspaper. The liberalisation of the foreign exchange market is the latest step by the Manning government to promote the development of a market economy here in line with international trends.

Best predicted there would be an immediate rush to purchase foreign exchange to hedge against an anticipated free fall of the T&T dollar. He based the projection on the initial experiences of Guyana and Jamaica after they had liberalized their currency markets.

What was to Trinidad and Tobago's advantage, Best said, was the fact that the "the lion's share of the foreign exchange we earn is secure for several years ahead from oil. It also accrues to the government and therefore cannot be diverted, at least not in the first instance. These are considerable advantages over Jamaica, Barbados, and Guyana," he added.

Best said the immediate question was how high the exchange rate will jump when foreign exchange trading resumes next Tuesday [13 April]. He also asked: "How much sustained depreciation will take place thereafter before the T&T dollar finally stabilises?"

Economist on Trade With Barbados

FL0804194493 Bridgetown CANA in English 1740 GMT 8 Apr 93

[Text] Port of Spain, Trinidad, April 8, CANA—Trinidad and Tobago's move to float its dollar could hurt trade with Barbados, a leading economist here said Thursday.

"If we are importing goods from Barbados.... if the demand is elastic, one would expect that there will be a fall-off in imports from Barbados," Anthony Taitt the deputy general manager of the Trinidad and Tobago Stock Exchange, said on Thursday.

"That perhaps could cause some panic in the Barbadian economy in terms of looking for.... an extra market for its goods and services, but I guess, all in all, they would understand what we are doing.... At some point (the dollar) would level off."

Barbados' domestic exports to Trinidad and Tobago totalled 32 million Barbados dollars (1 Bds dollar = 50 U.S. cents) in 1990 and 39 million in 1991. Barbados' imports from Trinidad and Tobago totalled 124 million dollars in 1990 and 155 million in 1991.

Trinidad and tobago floated its dollar on Wednesday [7 April] and announced the removal of foreign currency restrictions. On Wednesday, the Central Bank suspended all trading in foreign exchange with immediate effect until the start of banking business next Tuesday [13 April].

The liberalisation of the foreign exchange market is the latest step by the Patrick Manning government to promote the development of a market economy in line with international trends. Pegged to the U.S. dollar, the country's currency had been trading at T&T4.25 dollars for 1 U.S. dollar.

Taitt told the CARIBBEAN NEWS AGENCY (CANA) that companies here which imported the final products for distribution would have to pay more for goods, depending on the elasticity of demand.

"Imports will become more expensive and therefore one would expect that those companies will be in a more difficult position than those companies that export the goods," he said.

On the issue of the cross-border trading, Taitt said the liberalisation of the foreign exchange regime would make it easier to invest in Trinidad stocks.

The Trinidad Central Bank said Wednesday that resident nationals may now establish foreign currency accounts in local banks on such terms and conditions as the banks may specify. Finance Minister Wendell Mottley told reporters that the change in policy was necessary if government were to lay a solid foundation for Trinidad and Tobago's economic revival in the medium term.

The Central Bank said foreign exchange earnings were not abundant and reserves continued to be under severe pressure partly because of high debt service and because of the continued strong private sector demand and capital flight.

"As long as the reserves remain low and as long as economic activity and business confidence continue to be depressed, there will continue to be speculation about a possible devaluation, leading in turn to capital flight...," the bank said.

"By removing the government from the market and changing and reducing the role of the Central Bank in rate setting, speculation will have to re-focus from possible official action to economic and foreign exchange market fundamentals.... With the possibility that the market could appreciate the rate at any given time."

Argentina

$700 Million Paid in Entering Brady Plan

PY0804210793 Buenos Aires BUENOS AIRES HERALD in English 8 Apr 93 p 5

[Excerpts] [DYN-NA]--Argentina sealed its foreign debt restructuring plan yesterday, with the purchase of 2.85 billion dollars of guarantees and the payment of 700 million dollars in interest arrears and the final closing payment on the Brady plan.

Economy Minister Domingo Cavallo announced that "as of right now, Argentina's foreign debt payments are completely up-to-date and in order."

Yesterday the government acquired 2.885 billion dollars worth of U.S. Treasury zero-coupon bonds, which, according to Cavallo, will allow the country to cancel some 19.28 billion dollars of outstanding debt capital over 30 years.

"Practically speaking, we have paid off 19.285 billion dollars of principal today," the minister said at a local press conference.

The Argentine government handed over another 700 million dollars in interest arrears and the final payment on the Brady plan agreement. [passage omitted]

Cavallo pointed out that interest payments on foreign and domestic debt in Argentina would not climb above 2 percent of the Gross Domestic Product, estimated at 168 billion pesos for this year.

Financing Secretary Daniel Marx, at an Economy Ministry press conference, said that in 1993 some 520 million dollars will be paid in a single payment, as interest on the refinanced debt.

Yesterday's payments, totalling 3.5 billion dollars, included 1.79 billion in capital debt guarantees, 1.06 billion in interest guarantees, and 700 million in interest arrears and the final closing payment on the Brady plan.

Cavallo explained that the country has saved 677 million dollars in the transaction, as the government had estimated depositing 3.53 billion dollars in guarantees, but ended up depositing only 2.85 billion.

Bolivia

Fourteen Political Groups Register for General Election

PY0804150493 La Paz Radio Fides Network in Spanish 1100 GMT 8 Apr 93

[Text] Yesterday at 0000 local time was the deadline for the registration of candidates at the National Electoral Court. Fourteen political groups met this deadline and registered to participate in the 6 June general election. They are: Conscience of the Fatherland, Condepa; National Organization of Independents; Patriotic Accord, AP; Nationalist Revolutionary Movement, MNR - Tupac Katari Revolutionary Movement, MRTK; Solidarity Civic Union, UCS; Free Bolivia Movement, MBL; National Renewal Alliance, Arbol; National Katarist Movement, MKL; the 9th April Revolutionary Vanguard; Bolivian Socialist Falange, FSB; United Left, IU; Democratic Federalist Movement, MFD; Social Democratic Alliance, ASD; and National Convergency Axis--Patriotic, Eje-P.

Condepa registered Carlos Palenque Aviles and (Bocunchu?) as candidates for president and vice president, respectively.

The National Organization of Independents registered Oscar Bonifaz and Enriqueta Ulloa as candidates for president and vice president, respectively.

The AP registered Hugo Banzer Suarez and Oscar Zamora Medinacelli as candidates for president and vice president, respectively.

The MNR-MRTK registered Gonzalo Sanchez de Lozada and Victor Hugo Cardenas Conde as candidates for president and vice president, respectively.

The UCS registered Max Fernandez Rojas and Edgard Talavera as candidates for president and vice president, respectively.

The MBL registered Antonio Aramibar Quiroga and Miguel Urioste Fernandez de Cordoba as candidates for president and vice president, respectively.

The Arbol registered Casiano Ancalle and Roberto Pacheco as candidates for president and vice president, respectively.

The MKL registered Fernando (Untoja) and Tomas (Ticuasu) as candidates for president and vice president, respectively.

The 9th April Revolutionary Vanguard registered Carlos Serrate Reich and Ramiro Victor Paz Cerruto as candidates for president and vice president, respectively.

The FSB registered Jose Mario Toyote Paz and Jose Ramallo Torrilla as candidates for president and vice president, respectively.

The IU registered Ramiro Velazco and Nidia Florez as candidates for president and vice president, respectively.

The MFD registered Carlos Valverde Barberich and Roberto Caballero Oropeza as candidates for president and vice president, respectively.

The ASD registered Justiniano Talavera and Pablo Ramos Sanchez as candidates for president and vice president, respectively.

The Eje-P registered Felix Cardenas Aguilar and Ramiro Barrenechea as candidates for president and vice president, respectively.

New Education, Housing Ministers Installed

PY0904025593 La Paz Television Nacional Network in Spanish 0000 GMT 9 Apr 93

[Excerpts] The government has appointed Emma Navajas as the new education minister and German Velasco as the new housing and urban affairs minister. The two new ministers were installed in a ceremony in Government House this afternoon. [passage omitted]

The possibility of the new appointments already were known because the outgoing ministers were planning to become candidates in the congressional elections. This is the case for former Housing and Urban Affairs Minister Fernando Kieffer and former Education Minister Olga Saavedra. Emma Navajas was the Commission for the Protection of Children president. [passage omitted]

State Airline President Resigns Over Disagreement

PY0904031093 La Paz Television Nacional Network in Spanish 0000 GMT 9 Apr 93

[Excerpt] Coneplan [National Economic and Planning Council] did not approve the purchase of an airplane for Lloyd Aereo Bolviano, and airline President Edgar Torres submitted his resignation because of that decision.

Coneplan explained that it did not have enough documents to justify the purchase. Coneplan said Lloyd Aereo Boliviano did not submit enough information to approve the purchase of a new Air Bus for the airline. Therefore, the Lloyd Aereo Bolviano president submitted his irrevocable resignation. [passage omitted]

Brazil

Rio Governor Brizola Says Franco 'Weak, Timid, Hesitant'

PY0804160093 Sao Paulo FOLHA DE SAO PAULO in Portuguese 5 Apr 93 Section 1 p 5

[Article by Carlos Alberto de Souza]

[Text] Rio de Janeiro Governor Leonel Brizola, (PDT) [Democratic Labor Party], in Porto Alegre yesterday compared the government of Itamar Franco with that of Fernando Collor and concluded that the administration "is perhaps more harmful" than the prior administration because President Franco is "weak, timid, and hesitant."

According to Brizola, the privatization of the CSN (National Iron and Steel Company)—the main reason for his criticisms—"was the worse of all, full of suspicion." Brizola said the privatization must be anulled and investigated "by a decent government in the future."

Brizola said he was "ridiculed" by Franco regarding participation of the pension fund in the auction. Brizola said Franco did not postpone the auction for the pension fund to be prepared. He said: "He punctured the four tires of the fund's car and gave the starting signal favoring speculators."

Regarding the ultimatum he gave Justice Minister Mauricio Correa to choose between the government and the PDT, Brizola said he hopes Correa "will be able to overcome this situation in a coherent manner and come to strengthen our cause."

In an election campaign tone, Brizola yesterday criticized the presidents of the PT [Workers Party], Luiz Inacio Lula da Silva, and the PMDB [Brazilian Democratic Movement Party], Orestes Quercia. Brizola said Lula is "inexperienced" he has not even been mayor, not even of the town of Sao Caetano. How can someone like him assume the Presidency of such a complex country that is in crisis?"

Brizola said that Orestes Quercia "plotted" with Fernando Collor in the privatization process of VASP [Sao Paulo Airline] to harm Varig [Rio Grande do Sul Airline]. "It will be difficult for the PMDB to explain the plot carried out by Quercia to destroy Varig," he said.

Convinced that the presidential government system will triumph in the plebiscite with a 70-percent approval, Brizola said he fears that parliamentarian politicians will attempt to "institute a hybrid system" through a constitutional amendment.

"There is a danger that they may attempt to achieve through Congress what they could not achieve through votes," he said. Brizola added that the parliamentarian group is becoming "a danger for democracy." He believes that the attitude of the parliamentarian politicians "is fascist" for having committed "great unwise actions, like the creation of plotting fronts, together with Collor, to bring forward the date of the plebiscite."

Franco Replies 'Harshly'

PY0804184393 Rio de Janeiro O GLOBO in Portuguese 6 Apr 93 p 3

[Article by Monica Gugliano]

[Text] President Itamar Franco yesterday replied harshly to Rio de Janeiro Governor Leonel Brizola, who had announced the PDT [Democratic Labor Party] breakaway from the government and said that Itamar's administration is weak and timid. When arriving at Planalto Palace, Itamar called the media and, inspired by historical labor leader Alberto Pasqualini, refuted the criticisms made by the Rio governor.

"No more loud and empty statements," Itamar said. "The government is prepared to debate the true reality and not the theoretical reality of the country," the president added.

He said:

"Brizola is not speaking the truth regarding the privatization of the CSN [National Iron and Steel Company]," Itamar said, as he repeated that the Rio governor was the first person to learn the new rules for privatization.

In the evening, the president was even clearer:

"I am tired of being criticized without ever answering back. Now, whoever criticizes will receive an answer immediately," he told O GLOBO.

Itamar's statements also reached Sao Paulo Mayor Paulo Maluf, who had announced the end of the Itamar administration. "Paulo Maluf's political past will respond to him better than I, Itamar Franco, will," the president said.

Deciding to answer all the criticisms made against his administration, Itamar challenged those who started the 1994 election campaign by fighting openly. After admitting he made a mistake by thinking that his succession was somewhat "way out and unpredictable," Itamar announced that he is ready to face his opposers. Before heading to his office on the third floor, Itamar issued a warning:

"As of today, if they want to combat the president of the Republic, let them do it. Come openly. We are ready to challenge them in any field. We are ready to fight at a plane of true politics, not at a lowly and ambitious plane. The silence I kept these past few days was not enough to quiet some sinister voices in this country," the president said.

Itamar arrived at Planalto Palace at 0950 and asked journalists to come close. He did not want to answer questions. He said he would first speak about Mayor Maluf. On 4 April, during the foundation ceremony for the Progressive Reforming Party, PPR [Partido Progresista Reformador], as a result of the unity of the PDC [Christian Democratic Party] and the PDS [Democratic Social Party], Maluf had said he will not be benevolent with a government that has an incompetent and inoperative image.

Itamar then spoke about Brizola. As he had said in Alcantara, Maranhao, last week, the president recalled that a few days before the first auction of the CSN was held, he met with Brizola to discuss and explain to him some of the reasons that led the government to sell it.

"The governor was the first citizen to learn the new rules regarding the pension funds, and he approved them. From my office, the governor phoned some pension fund leaders. He then passed the telephone to me and asked me to wait until Wednesday or Thursday to present some suggestions, and he then added he was pleased with the process," Itamar said.

After this meeting, Itamar said he was surprised to receive a fax from Brizola requesting that he suspend the CSN auction. The president then consulted Counsel General Jose de Castro and National Privatization Committee President Andre Montoro Filho. They both said that nothing was wrong with the auction, so Itamar authorized it. Given that his request was not approved, Brizola began to criticize the president. In the past few days, Brizola has used free television time allocated for the plebiscite campaign to attack Itamar.

Workers Party President Discusses Talks With Entrepreneurs

PY0804190093 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Apr 93 p 10

[Interview with Workers Party, PT, President Luis Inacio Lula da Silva by Ana Maria Tahan—date and place not given]

[Text] [O ESTADO] Are your talks with entrepreneurs aimed at overcoming the barrier that has been erected against the PT since the 1989 election?

[Lula] I actually thank God for former President Fernando Collor's anaphylactic shock against Brazilian society. He made a segment of the Brazilian elite aware of the fact that it is something serious to be in the government, that a program for the country and organized movements are required. These meetings were great. I do not know if I won or lost votes, but if they do not like me, this time at least they are hearing things directly from me and not through [Rural Democratic Union leader Ronaldo] Caiado or [Social Democratic Party leader Paulo] Maluf. Translators are deft deceivers. Our enemies were actually the ones who translated the PT's image.

[O ESTADO] The idea, however, is to attract votes, isn't it?[Lula] These meetings are intended to break the ice. There is much prejudice as a result of the lies told about Lula and the PT. There is much bias concerning the PT's proposal on land reform. While the PT proposes to implement land reform in the south, southeast, and northeast, involving 500 to 1,000 hectares of land in the Midwest and 1,500 hectares of land in the north, there are people who own 30 hectares of land and believe they will be included in the land reform. These meetings are largely designed to put things in the proper perspective. I also want to hear the opinions of entrepreneurs. I want to explain what the PT is so that they will not be afraid of the PT.

[O ESTADO] And what are they afraid of?

[Lula] Some things will never change. For example, there are many entrepreneurs who believe that land reform is unnecessary and that good mechanized agriculture is better. It happens that we now have in Brazil about 5 million small land owners who require a governmental policy in this field.

[O ESTADO] Are your interlocutors not convinced by this data?

[Lula] It is not possible to discuss things in detail during these meetings. Some people are against these things in

principle. It is like those people who are afraid of the 12 percent interest rates that are mentioned in the Constitution, when they have not even been regulated. There are many taboos that must be broken.

[O ESTADO] Does your idea involve making preparations for a pact or an understanding if the PT wins the presidential election?

[Lula] It is clear for all of us the problem is not just to win an election. It involves solving Brazil's problems. It is necessary to have a development policy. And this policy requires funds for investment, funds that either are secured abroad for our local entrepreneurs or from the government. All three possibilities are difficult: Brazil does not have any credibility abroad, the entrepreneurs do not trust our government's economic policies, and the government is bankrupt.

[O ESTADO] Then how do you solve this equation?

[Lula] With credibility. It is necessary to restore credibility among society: workers, entrepreneurs, organizations, and the government. It is necessary to reach an agreement on what we want in order to save this country from bankruptcy.

[O ESTADO] You are advocating a pact.

[Lula] I believe an agreement among all social segments is necessary to save Brazil from this chokehold. It is obvious that there will always be minor sectors—reactionary sectors from the right or the left—against such an agreement. Nevertheless, we want to change Brazil, which has stagnated for 12 years.

[O ESTADO] How can the pact become feasible considering the previously unsuccessful attempts?

[Lula] I am trying to convince everyone that irrespective of Lula, no matter who could be the president of the Republic, it is urgent for businessmen to again invest in production. To this end, the government must implement a clear economic policy in which people do not become victims of blows in the dead of the night. This presupposes the need to hold talks and observe rules. Therefore, we outlined a government timetable through the end of 1993. We want to establish our ideas and submit them to labor unions, businessmen, organized society, and parties.

[O ESTADO] That is, the PT seeks to participate in the election on the basis of a previous understanding. Is this possible?

[Lula] Sarney ruled the country with a majority in Congress and obtained nothing. Collor also was supported by a majority in principle but was unable to govern. Itamar is almost unanimously supported by congressmen, but he is having trouble governing. This happens because preestablished rules have not been observed. We want to establish rules by discussing them with the people.

[O ESTADO] And the parties?

[Lula] We are promoting the idea of creating a political alliance on the basis of a government program, not on the basis of posts but objectives. It will be necessary to invest 20 percent of the gross domestic product; that is, $80 million, to make this country grow 5 percent annually. Who has that amount of money to invest? I cannot offer a miracle. It is not possible to govern with a fictitious budget. Therefore we must form a series of alliances that include the parties and people.

[O ESTADO] How can parties overcome their distrust toward the PT and vice versa?

[Lula] We can discuss this issue the whole year. In 1991 we supported alliances with the PDT [Democratic Workers' Party], the PC do B [Communist Party of Brazil], the PPS [People's Socialist Party], the PV [Green Party], and the PSB [Brazilian Socialist Party].

We intend to discuss, for the elections next year, center-left alliances tending to the left. But it cannot be only a party alliance. It must involve the whole society. If we leave the subject for 1994 we will not accomplish anything.

[O ESTADO] Will the size of the state apparatus be discussed in this program?

[Lula] Yes, we will discuss this. I want to do away with some taboos. We will discuss the strategic services. There are different points of view within the PT and we must solve this before the elections. There are a few things that the government cannot give up at all, involving all Brazilians: health and education. The state must also offer the best in these fields, without harming the private sector but as an option.

[O ESTADO] What about the differences within the party?

[Lula] I, for example, think that the energy and steel sector should remain in public hands. Some PT people do not agree. These things will be discussed and whatever is approved will be included in the government program.

[O ESTADO] What about job stability for public employees?

[Lula] The Brazilian state has been bankrupt for a long time. Labor stability began in 1988; therefore it cannot be blamed for all state inefficiencies. We must organize a professional administrative apparatus, like in France. We must not allow politicians to hire supporters once they become elected.

[O ESTADO] Will the alliances be made before the first voting round?

[Lula] I believe they must be made before the first voting round. There will be many commitments in these elections; the main politicians will be on the scene for everyone to see.

Normally, they attack each other during the first voting round, so that complicates things for the second voting round. If we make the correct alliances we will be able to win in some states during the first voting round.

Colombia

Country Fears Reduction in U.S. Anticrime Assistance

PA0804152993 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 8 Apr 93

[Report by Raul Gutierrez]

[Text] A U.S. State Department report on human rights abuses in Colombia is about to be challenged in the U.S. Congress. If that happens, U.S. assistance to combat various forms of criminal activities in Colombia could be cut.

According to Carlos de Roux, presidential adviser on human rights issues, the report is quite objective, but that does not mean Colombia has moved from the dishonorable third place among the world's human rights violators.

[Begin de Roux recording] The report shows that the situation has stabilized rather than improved. It is a bit sad to say so, but to a certain extent that is relatively good news. Human rights abuses were getting worse with each passing year. To a certain extent, the situation has now stabilized. [end recording]

The number of reports of kidnappings, tortures, and disappearances decreased in 1992. It was also proven that Armed Forces members did not participate in the numerous massacres that took place throughout Colombia. Even so, there are some sectors in the U.S. Congress that are looking forward to challenging the report.

[Begin De Roux recording] There are numerous indications that the Clinton administration will be quite sensitive to human rights issues. [end recording]

It will not be easy to dissuade the Democrats in the Senate and House of Representatives when at least 30,000 crimes are carried out each year in Colombia. In any case, the Colombian Government is moving to prevent the assistance received from the Clinton administration from being cut, which would have unpredictable consequences for the country's anticrime program.

ELN To Finance Military Activities With Kidnappings

PA0804160093 Santa Fe de Bogota EL TIEMPO in Spanish 5 Apr 93 pp 1A, 8A

[Report by Miller Rubio]

[Text] The Army of National Liberation (ELN) has outlined its position on kidnappings, stating that it will continue to kidnap civilians to finance its military activities.

The statement was made in a 19 March meeting between Nicolas Rodriguez Bautista, alias Gabino, and leaders of the Revolutionary Armed Forces of Colombia (FARC) and the ELN.

Referring to the group's terrorist plans, security agencies revealed intelligence information gathered last week indicating that the ELN plans to kidnap seven important persons as part of its strategy to exert pressure on the government.

The document, which is in the hands of a state security agency, reveals that Gabino said: "Revolutionaries believe the revolution's economy should by supported with the capitalist economies' funds."

Criminals from the FARC's Jose Prudencio Padilla and Compania Ramirez columns and the ELN's Capitan Parmenio, Claudia Isabel, and Francisco Javier Castano fronts attended the meeting, during which Gabino said: "One way of getting the funds is by demanding ransoms to increase the organization's capital."

The criminal said the rebel organization's policy on kidnappings is to strengthen the various ELN fronts' economic infrastructure.

The criminal said: "We have changed our policy on demanding ransoms: We now demand ransoms to finance our activities." The guerrilla member also said the change in strategy is a result of the organization's current military situation.

Investigators said the organization's leadership has accepted the fact that kidnappings are carried out by common criminals. Gabino explained that when the group was created, "we thought the demands for ransom were nonrevolutionary actions and therefore incorrect because the kidnappings were being carried out by common criminals. Later we decided capitalism should support the revolutionary economy."

Referring to an ELN plan against leading members of society, security agency spokesmen said industrialists, journalists, and state officials are the targets.

The sources said the goal is to pressure the government into participating in a new round of talks to establish conditions.

The security agencies also said that within the framework of its terrorist plan, the organization has ordered groups of people's militias operating in various cities to conduct intelligence work on potential kidnapping victims.

Two weeks ago the ELN distributed in various zones of Santander, Antioquia, and Santa Fe de Bogota pamphlets containing death threats against two Antioquia leaders, two radio network directors, and three high-ranking state officials.

Medellin Proposes To Relocate Police, Army Headquarters

PA0804161493 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 8 Apr 93

[Report by Maribel Osorio]

[Text] Terrorism has forced Medellin authorities to look for alternate measures to ensure citizen's safety. Because the city's Police and Army headquarters have become targets for attacks, it was proposed that they be relocated. The 4th Army Brigade, for example, would be relocated to Bello Municipality.

One of the first options under consideration is to relocate the Medellin Police headquarters, the Judicial Police and Criminal Statistics Office, the Administrative Department of Security, and the 4th Army Brigade from neighborhoods to sites far enough away as to keep them from posing a threat to the civilian population. Those units would still be close enough to answer any calls promptly.

[Being recording] [Medellin Mayor Luis Fernando Ramos] Some of the stations currently located in neighborhoods would be relocated so the civilian population would not have to deal with inconveniences such as street closings. They would also not be exposed to attacks on security institutions.

[First unidentified Medellin resident] Right now we are very nervous about having to wait so long for the police to respond. If they are moved, we are going to have an increase in robberies and attacks.

[Second unidentified Medellin resident] Currently any attack that takes place directly affects the civilian population. [end recording]

Another option includes a French Government proposal that entails implementing safety measures in the city center by using television screens. For that to become a reality, however, a more in-depth assessment must be carried out. Whatever the case, it is another option in Medellin's safety plans.

Patrols Established To Counter Subversive Attacks on Boats

PA0804170593 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 8 Apr 93

[Text] Santa Fe de Bogota—The authorities have arranged for special patrols along the Cauca and Magcalena Rivers in the wake of a large-scale subversive attack on boats traveling on the Cauca River near the borders of Sucre and Cesar Departments.

At least 50 vessels of all types have been assaulted by insurgents, who robbed the people on board.

Paraguay

Armored Vehicles To Carry Out 'Routine' Maneuvers 12, 15 Apr

PY0804150693 Asuncion ABC COLOR in Spanish 8 Apr 93 p 11

[Text] The Army Social Communications Center has reported that on 12 and 15 April there will be a deployment of armored vehicles from the Armored Calvary Regiment No. 2, based in Cerrito, Chaco, to the headquarters of the 1 Army Corps, based in Campo Grande, [Asuncion].

According to the communique, the armored vehicles will carry out routine maneuvers in Campo Grande. The communique informed the people of the activities of the armored vehicles to alert the people and prevent undue concern.

The military does not want the population to be alarmed by the deployment of the tanks, in view of the fact that recently there have been plenty of rumors about a probable military coup against the government of Andres Rodriguez.

1st Army Corp Commander Views Model Rural Villa, Pilcomayo River

PY0804230693 Asuncion TIEMPO 14 in Spanish 7 Apr 93 pp 30, 31

[Interview with General Lino Oviedo, 1st Army Corps Commander, by Palo Rubin; place and date not given]

[Excerpts] We talked with General Lino Oviedo about current events, one of which is the Model Rural Villa being built in Pozo Colorado. This is the result of that conversation:

[Rubin] What prompted the 1st Army Corps and Gen. Oviedo to create places like this?

[Oviedo] First of all we are complying with what is established in our Constitution, within our jurisdiction, mainly, according to the national Constitution. We are safeguarding the country's territorial integrity; that is, we are making the Constitution and laws respected. We are safeguarding the people and their property. Since we are part of the national security system, as members of the public forces, we are implementing the medical slogan that says: "It is better to prevent than to heal." Thus, safety must be protected as much as possible so the individual, the citizen, the family, and society may have security and the opportunity to administer themselves to work for their living, to attain their well-being, and to promote the general well-being of all because they do not have the need to resort to illegal activities. Thus, within the 1st Army Corps' jurisdiction we established cooperation with the settlements, beginning with the humblest, specifically Pozo Colorado, as you just mentioned. We have a cavalry regiment headquarters there, and the subunits are distributed along the Pilcomayo River,

lower Chaco Region. From our regiment, we engaged some rural settlers across Pozo Colorado in our rural villa project. We are using foreign experience because developing our own experience would take too long and be expensive. We are using foreign experience, specifically from Israel, a country that has conquered the desert with its kibbutzim and moshav. They have defeated poverty to a great extent and nature itself, considering that their lands were so unproductive. [passage omitted]

[Rubin] What does the draft statute of the association of the public forces of Paraguay consist of; how will it come about?

[Oviedo] In accordance with our national Constitution, the public force is made up of the military and police forces. Since we are all human beings, we want our well-being, our recognition, and we were hoping it would be given to us but we believe that it being given to us is not adequate. We believe we must make ourselves self-sufficient. Based on that idea, we planned the creation of the association of public forces in accordance with constitutional regulations concerning our social, cultural, professional, and commercial circles, our church, our cemeteries.

[Rubin] How will this project be financed?

[Oviedo] Like any other club. We have a cooperative with shareholders receiving excellent dividends. We all are making our payments in accordance with the statute for social and sports activities; everyone is making his contribution. All the members are interested in this project. We already have held an assembly of the Armed Forces officers cooperative. They all agreed to carry on with this project. The NCO's also want their own cooperative.

[Rubin] Can we hear about the three main objectives?

[Oviedo] The main objective is to guarantee the operation of the social circle, the cooperative, an insurance company, and a bank where credits can be obtained for housing and personal use and people can keep their savings; to run the retirement program through the bank; and to have salaries deposited directly in bank accounts. [passage omitted]

[Rubin] What will the Armed Forces' role be in the Pilcomayo River case?

[Oviedo] The Armed Forces have a chain of command under the commander in chief. If the presence of the Armed Forces is required, this mission will be fulfilled. I will mention two specific cases. When the Armed Forces' presence is necessary to ensure national security, and the people want it, and, of course, if it is approved by the commander in chief, we, his subordinates, immediately fulfill the mission. The examples are in Ciudad del Este and Pedro Juan Caballero. The Pilcomayo River case is a different way of enforcing national security. This case goes against the national territory. It is known that the Pilcomayo River is extremely important for our cattlemen in the Chaco region because its waters irrigate a large part of it where water is essential. We received instructions on this case last week. The commander in chief instructed me to attend a meeting called by the foreign minister because part of the Pilcomayo River is under the jurisdiction of the 1st Army Corps and the other part, the Upper Chaco, is under the jurisdiction of the 3d Army Corps. We have an infrastructure in those regions that can be used to recover the Pilcomayo riverbed. I do not want to give an opinion on what happened across Lamadrid. But the pictures show there is strategic work to take advantage of the flood to irrigate Argentine territory. History is the relationship of true events. We must defend our legitimate rights, that the Pilcomayo follow its normal riverbed the way it has always been. The riverbed is binational because it irrigates Argentine and Paraguayan territory. This is our position, and the work will be carried out immediately because the riverbed must be cleaned and the type of soil does not allow the use of machinery. It must be done by hand. And every effort must be made to defend the nation's interest. We have the brilliant example of the Chaco War veterans; this is a region where more than 30,000 Paraguayans gave their lives to defend our territory. The effort we will make cannot even be compared to the effort made by the war veterans. We are not at war; it will only be a war against nature to clean the riverbed to make the river follow its normal course.

[Rubin] When did the Armed Forces learn about the change in the riverbed?

[Oviedo] This is an issue that has been followed; information was received from the prior government. As far as I know there are several works on this issue. There is a border commission. E ngineer Meyer was recently appointed a commission member, and he is a very capable individual for this subject. I do not want to answer about a case when I do not have the facts in documents, about when the Armed Forces or the country learned about it. We are, however, willing to work to recover what is ours.

[Rubin] What are the concrete instructions for the 1st Corps; what will it do now?

[Oviedo] Engineer Meyer is doing the technical study and the work plan. The Border Commission and the Military Geographic Institute probably are doing the same. When the work is given to us, we will do the job. Let me say it in military terms, that they are preparing the order of operations. We are ready to carry out the mission entrusted to us in our area of responsibility. We will obey what the experts say.

[Rubin] What is your personal opinion; does Gen. Lino Oviedo believe that what was lost in the Pilcomayo River can be recovered?

[Oviedo] I have no doubts whatsoever. If the war veterans were able to recover the Chaco, I believe we can at least recover the Pilcomayo riverbed.

Bulgarian Business Group Visiting With 'Firm' Ideas About Investment

PY0804175093 Asuncion NOTICIAS in Spanish 6 Apr 93 p 13

[Text] Considering that Paraguay is strategically placed in Latin America, a Bulgarian business group is visiting our capital with firm ideas about investment.

Hristo Nidialkov [name as published], managing director of an important multisectorial enterprise, has said that the Asuncion office will be the center of operations for other Latin American countries, especially neighboring countries.

The Multigroup-Paraguay S.R.L. [expansion unknown] will have in our country the specific objective of investing in canned food, diary, and meat industries.

Nidialkov also said that they will make an offer to the government for the construction of a Bulgarian hospital, in addition to working on joint projects with our country's private sector.

The Bulgarians also intend to make contact with a group of businessmen who are interested in importing agricultural machinery.

Regarding possible Paraguayan products for export to Albania, he said that there is great interest in soybeans, cotton, and corn.

The Paraguayan office has its personnel, including commercial manager Gabriel Casadio and administrative director Peter Tenchev, among others, who are charged with investigating the market.

The Bulgarian group represented by Nidialkov carries out the largest business deals for Bulgaria in the financial, agricultural-food, and chemical industries.

It also has interests in oil and textile industries and has its own insurance company.

This group of enterprises has expanded to Washington, Malta, Slovakia, Romania, and Albania.

Peru

Fujimori Meets With Mexican Foreign Secretary Solana

PA0804162893 Mexico City XHTV Television Network in Spanish 0200 GMT 8 Apr 93

[Text] Mexican Foreign Secretary Fernando Solana Morales met with Peruvian President Alberto Fujimori on 7 April in Lima. The two discussed various topics, including Peru's readmission into the Rio Group, the possibility of signing a free trade agreement with Mexico, and future investments. Solana said Mexico recognizes that Peru is going through difficult times, but Peruvians have the courage and drive to come out ahead, an effort that the international community recognizes. He said Mexico would be willing to sign a free trade agreement if conditions were right.

[Begin Solana recording] Mexico would like to have free trade agreements with all Latin American countries. Right now we have one with Chile and are negotiating others with Venezuela, Colombia, Bolivia, and Central America. As soon as those agreements are approved, Mexico will be ready to discuss that possibility. [end recording]

The Peruvian president focused on current relations between the countries and said he foresaw future agreements with Mexico.

[Begin Fujimori recording] We emphasized relations between Peru and Mexico and rapprochement through other channels such as private enterprises. Aeromexico Airlines and Televisa are two clear examples of how Mexico and Peru are becoming integrated. [end recording]

Solana Underscores 'Excellent' Relations

PA0804180493 Lima Panamericana Television Network in Spanish 0300 GMT 8 Apr 93

[Text] Mexican Foreign Secretary Fernando Solana, at the request of the Rio Group foreign ministers, has visited the government palace to convey to the Peruvian Government a most cordial welcome to full reincorporation into that organization's activities. President Fujimori greeted Solana in a special meeting and thanked him for this recognition and understanding of the country's real situation. President Fujimori told Solana, however, that for the time being it was advisable to evaluate the proposal before giving a definitive reply.

Fujimori took the opportunity to offer an official invitation to his Mexican counterpart, Carlos Salinas de Gortari, to visit Peru in the near future. The presidential team then left for Vitarte, where a new school was being inaugurated. The president said mortal blows are being inflicted on terrorism through good education and the people's and government's commitment.

The school was built with economic support from the Swiss Government, and it is located in one of the most isolated and neglected areas of Santa Clara. This is the first education center in the area built with high-quality materials. It has a capacity for more than 2,000 students.

[Begin Fujimori recording] I am touring Peru untiringly, almost routinely. I am covering all settlements and provinces. The goal is to bring real projects to benefit the people, because our national and comprehensive goal is development. Development, my friends, is not achieved in the absence of peace. Education plays an essential role in achieving peace. We must instill healthy, progressive, and modern ideas in our children. We are administering the vaccine against underdevelopment and poverty. [end recording]

A visit to Aerial Group No. 8 was part of the president's busy agenda. There Fujimori received a donation of two Soviet-made AN-72 planes that will further integrate Peru because they will be involved in civic action as well as helping transport military troops to jungle areas. The aircraft are capable of taking off and landing on any surface. Each one of the 62-passenger planes is valued at $15 million. Ukranian investors and Peruvian businessmen have not ruled out the possibility of establishing a plane-assembling plant in Pisco.

Mexican Foreign Secretary Fernando Solana returned to his country on 7 April after his brief protocol visit. In statements to the media, he underscored the excellent relations between Mexico and Peru and added that Mexican businessmen are confident about investing in our country:

[Begin Solana recording] For the first time we have noticed Mexican businessmen's great confidence in the Peruvian economy. We have seen significant investments by Mexican companies in Peru's communications, transportation, and construction businesses. I think we are starting a new phase in this positive and harmonious relationship between our countries.

President Fujimori had the goodness to meet me on the morning of 7 April. I brought him very cordial greetings from President Salinas de Gortari. We held a prolonged dialogue on our bilateral relations. I told him that Mexico is pleased at Peru's readmission to the Rio Group. I told Fujimori it meant that Latin America is rediscovering itself. We think if it is important for Peru to rejoin the Rio Group, it is also important to the Rio Group that Peru rejoin. Latin America has an unresolved problem at hand without Peru's full participation in a group as important as the Rio Group. [end recording]

Fujimori Remarks on Judicial Appointments, Invitation To Rejoin Rio Group

PA0804170693 Lima Panamericana Television Network in Spanish 0300 GMT 8 Apr 93

[News conference by President Alberto Fujimori with unidentified reporters in Lima; date not given—recorded]

[Text] [Fujimori] Under no circumstances would I favor intervention by the president or the legislative branch in the appointment or ratification of judges. That process should be completely independent from political powers. As I have publicly said before, appointments and promotions within the judicial branch should be based on merit.

Those merits can be evaluated by the judicial service [carrera judicial] and the Center for Higher Studies for Magistrates or Academy of Magistrates. I do not quite agree that it should be done by the so-called National Council of Magistrates, because it could even include two former Supreme Court members. I wonder whether removed Supreme Court members could also participate in this National Council of Magistrates. I think this is a setback...

[Reporter, interrupting] [question indistinct]?

[Fujimori] As I already explained, through the Academy of Magistrates without political or party influence and without the influence of Supreme Court members.

[Reporter] What is your administration's reaction to the invitation to rejoin the Rio Group? What will Peru's stand be before the group?

[Fujimori] The government welcomes the invitation. I think the Rio Group took a very cordial step. We want to ensure that there will be absolutely no obstacles or conditions. I do not think there are any obstacles to rejoining, as was the case in the past.

[Reporter] [Words indistinct] for whom a five-year sentence was handed down. What measures will be adopted?

[Fujimori] I regret that sentence. I think it was unfair. I still do not think the judicial branch has found a way to administer justice in cases like this. An appeal was filed before the Supreme Court, and I am sure he will be declared innocent.

[Reporter] Congresswoman Marta Chavez said your proposal on the Repentance Law could lead to leaders being released. What can you say about that? Would they be freed?

[Fujimori] No, no. Pardons for repentance—and in this case I agree with Marta Chavez—would not be applicable to any leader. That would be inconceivable.

Foreign Minister Remarks on Relations With Venezuela, Return to Rio Group

PA0804181193 Lima Panamericana Television Network in Spanish 0300 GMT 8 Apr 93

[Text] Foreign Minister Oscar de la Puente has reported that diplomatic relations between Peru and Venezuela remain interrupted in spite of our country's return to the Rio Group. The reestablishment of relations between the two countries depends on the initiative that Venezuela takes, de la Puente said.

[Begin recording] [De la Puente] We are very pleased to have received a cordial invitation for Peru to rejoin the Rio Group. This does not have to do directly with Venezuela and Peru reestablishing diplomatic relations, merely because of the fact that the two countries are members of the Rio Group. For example, the Governments of Chile and Bolivia, who do not have diplomatic relations, are members of the Rio Group. In other words, maintaining diplomatic relations is not a requirement for entry into the Rio Group.

Nonetheless, we consider the Venezuelan Foreign Ministry decision a friendly gesture. Later on, we will consider the issue of bilateral renewal, because the multilateral organization of the Rio Group is one thing and relations between the peoples and Go /ernments of Venezuela and Peru is another.

[Unidentified reporter] Mr. Foreign Minister: Is it true the Peruvian Government has authorized the [words indistinct] development of Hong Kong to channel investments (?from) Macao and Hong Kong for our country?

[De la Puente] As has been said in a Foreign Ministry communique, the questions the media have about the nature, legality, or feasibility of the agreement are being evaluated thoroughly by a commission especially appointed to this effect. I think we must carefully analyze the Immigration-Investments Program as the Peruvian Government's promotion of foreign investments. This is not a matter of selling our nationality for a plate of lentils, nor is it a negotiated deal; it is just plainly a program like any other program that represents confidence for channeling foreign investments in our country. [end recording]

Concerning diplomatic relations with Venezuela, it was announced on 8 April in Caracas that Venezuela is reconsidering the possibility of renewing diplomatic ties with our country. The announcement was made by Foreign Minister Fernando Ochoa Antich.

Justice Ministry Authorizes U.S. Extradition Request

PA0804193493 Lima Radio Programas del Peru Network in Spanish 1800 GMT 8 Apr 93

[Text] The Justice Ministry has authorized the U.S. extradition request for Peruvian citizen Jose Jaime Bedoya Garreta who was indicted for defrauding the public trust and corruption of officials to the detriment of the state.

Bedoya's extradition was declared admissible at a Supreme Court of Justice session on criminal matters on 23 March 1993.

'Regrettable' Event Takes Place Between Army, Police

PA0804191193 Lima Panamericana Television Network in Spanish 1200 GMT 8 Apr 93

[Text] The incident that took place outside the Santo Toribio jail in Tarapoto between the Army and police has not yet been clarified. The regrettable event left one soldier dead and nine wounded.

The regrettable incident took place between National Police units and an Army patrol outside the Santo Toribio jail in Tarapoto. This occurred in the early hours of 7 April, and left one soldier dead and nine wounded—all of them members of an Army patrol.

This is the Army vehicle car that was transporting a patrol to lend support, precisely, to the security police here in Tarapoto. We are a few meters away and can see the bullet holes in the command car. Here we see the front, near the radiator, as well as the windshield, where we can clearly see the bullet holes. The soldiers were coming to assist the Tarapoto jail.

The wounded, after receiving assistance from some of the local civilians, were hospitalized in Tarapoto, where they received treatment. A wounded soldier explained, while being evacuated for airlift to Lima, what took place:

[Begin recording] [unidentified reporter] Can you tell us how this incident took place?

[Unidentified soldier] Yes. [words indistinct] We were fired upon.

[Reporter] Did you fight back at any time?

[Soldier] No.

[Reporter] It took you by surprise?

[Soldier] [words indistinct]

[Reporter] How many soldiers were with you at the time?

[Soldier] Approximately 21. [end recording]

Thus far, neither the Army nor the National Police have issued a communique, which is resulting in a complete lack of information on what happened early yesterday morning. Late yesterday afternoon, five of the nine wounded soldiers were airlifted to Lima in a Peruvian Air Force plane.

National Police Present 6 Shining Path 'Criminals'

PA0804205493 Lima Panamericana Television Network in Spanish 1200 GMT 8 Apr 93

[Text] The National Police again delivered a hard blow to the guerrillas in Ayacucho Department. It presented six Shining Path criminals who operated in Huamanga. The guerrillas murdered numerous police officers and peasant patrolmen in that area.

The guerrillas, who wore the now familiar striped uniforms, were led by Cesar Ernesto Landeo Manrique, 32, alias comrade Pablo or Santiago. He, as well as the others, participated in various attacks and murders that took place mostly in rural and jungle areas in this department, such as the ambush of a police vehicle on 22 January 1991 in (Rancha) that killed 12 members of the Peruvian National Police and wiped out seven peasant patrolmen in the community of Rumihuasi on 16 July 1991.

The six guerrillas, three men and three women, who will be tried on charges of treason and terrorism, are: Apolinaria Gamboa Velasquez, 20, alias comrade Hilda; (Maximiliana Yactodoman Quite), 21, comrade Pelacia, a member of Feliciano's security corps; Cesar Ernesto

Landeo Manrique, 32, alias comrade Pablo, area coordinator for Ayacucho Department; (Manuel Curo Gente), 25, comrade Roberto; (Esteban Vilcamiche y Atuabaman), 36, comrade Chato; and Marina Castro Palomino, 49, comrade Margarita, coordinator of the Huamanga subregion, in charge of fund raising and storing terrorist food, medicine, and clothing.

Defense Ministry Bans Activities Around San Lorenzo, Callao Islands

PA0804194493 Lima Radio Programas del Peru Network in Spanish 1800 GMT 8 Apr 93

[Text] The Defense Ministry has banned navigation, fishing operations, dredging, sports, and recreation practices in a 300-meter area around San Lorenzo and Callao Islands. This prohibition also extends to the area intended for use by the Navy's maritime interests division, which is used for scientific investigations.

Correction to Magistrates To Appoint Nonvoting Supreme Court Members

WA0904144393

The following correction pertains to the item headlined "Magistrates To Appoint Nonvoting Supreme Court Members" published on page 27 of the 8 April Latin America DAILY REPORT: Column two, sixth complete paragraph make read: Council of Magistrates To Appoint Supreme Court Members (correcting headline) Paragraph one, sentence one, make read: ...to appoint the members and public prosecutors... (deleting the word "nonvoting")